

Message Text

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ACTION ARA-10

INFO OCT-01 ISO-00 FEA-01 ERDA-05 AID-05 CEA-01 CIAE-00
CIEP-01 COME-00 DODE-00 EB-08 FPC-01 H-01 INR-07
INT-05 L-03 NSAE-00 NSC-05 OMB-01 PM-04 USIA-06
OES-06 SP-02 SS-15 STR-04 TRSE-00 ACDA-07 PA-01 PRS-01
/101 W

-----191345 113043 /53

R 191300Z FEB 77
FM AMEMBASSY QUITO
TO SECSTATE WASHDC 3277
INFO AMEMBASSY BRASILIA

C O N F I D E N T I A L QUITO 1167

E.O. 11652: N/A
TAGS: BEXP, ENRG, EC
SUBJECT: ECUADOR REPORTEDLY SIGNS AGREEMENT TO BARTER OIL TO
BRAZIL

1. WIRE SERVICE REPORTS CARRIED IN LOCAL PRESS FEBRUARY 18 REPORT THAT: GOE MISSION HEADED BY SUBSECRETARY OF FOREIGN RELATIONS JOSE AYALA HAS SIGNED AN AGREEMENT TO SELL APPROXIMATELY 40,000 BARRELS OF CRUDE OIL A DAY TO BRAZIL; THAT ECUADOR, IN RETURN, WILL PURCHASE THE EQUIVALENT AMOUNT IN BRAZILIAN GOODS AND SERVICES; THAT PETROBRAS AND CEPE WILL LATER DISCUSS AN AGREEMENT TO DEVELOP THE NECESSARY INFRASTRUCTURE TO SHIP THE PETROLEUM DOWN THE PUTUMAYO RIVER; AND THAT CEPE AND PETROBRAS MAY INVESTIGATE THE POSSIBILITY OF A JOINT VENTURE FOR PETROLEUM EXPLORATION IN ECUADOR.

2. COMMENT: ECUADOR IS EAGERLY SEEKING TO DIVERSIFY ITS MARKETS DUE TO THE IMPENDING SELF-SUFFICIENCY OF PERU AND COMPLETION OF THE ALASKAN PIPELINE, EVENTS WHICH WILL CUT OFF PRIME ECUADOREAN OIL MARKETS. HOWEVER, SINCE NONE OF THE NECESSARY INFRASTRUCTURE (PIPELINES, ROADS SUITABLE FOR LARGE-SCALE TRANSPORT) EXISTS TO MOVE CEPE PETROLEUM TO THE PUTUMAYO, EMBASSY ANTICIPATES THAT THIS
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SALE (WORTH APPROXIMATELY \$175 MILLION PER YEAR AT CURRENT OIL PRICES) MAY BE LONG DELAYED. WE ALSO SPECULATE THAT THE GOE HAS CHOSEN THE PUTUMAYO ROUTE RATHER THAN THE NAPO RIVER (WHICH CEPE HAD LONG BEEN CONSIDERING) MANILY IN ORDER TO AVOID CROSSING PERUVIAN TERRITORY.
BLOOMFIELD

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AGREEMENTS, PETROLEUM
Control Number: n/a
Copy: SINGLE
Sent Date: 19-Feb-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977QUITO01167
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770060-0392
Format: TEL
From: QUITO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770224/aaaaavkt.tel
Line Count: 61
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 355df2c3-c288-dd11-92da-001cc4696bcc
Office: ACTION ARA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
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Review Date: 30-Nov-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3274684
Secure: OPEN
Status: NATIVE
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TAGS: BEXP, ENRG, EC, BR
To: STATE
Type: TE
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Review Markings:
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